Kansas City Star July 7, 2005

Vote for the Big Picture

As expected, the Senate has endorsed the Central American Free Trade Agreement. But final approval is hardly a done deal. The issue is much more contentious in the House, where many past supporters of free trade are wavering.

Three key lawmakers in our region are on the fence: Reps. Dennis Moore of Kansas and Ike Skelton of Missouri, both Democrats, and Rep. Sam Graves, a Missouri Republican. Rep. Emanuel Cleaver, a Democrat representing much of the Kansas City area, says he will vote against the accord.

The fence-sitters should understand that the stakes are larger than CAFTA itself. Taken as a whole, the CAFTA countries — Costa Rica, Nicaragua, El Salvador, Guatemala, Honduras and the Dominican Republic — would make up America's 13th-largest trading partner.

If a deal on the relatively modest scale of CAFTA can be killed, then trade accords opening more markets for the United States are probably out of the question. A vote against CAFTA would be a vote to kill the larger trade agenda and undermine America's traditional leadership in the cause of open markets — something on which much of our economic security depends.

Every trade deal involves winners and losers, but with CAFTA the advantages are clear. Nearly 80 percent of imports from CAFTA countries are already shipped to the U.S. duty-free. But CAFTA countries hit U.S. exports with an average duty of around 11 percent.

CAFTA would lower those barriers. The benefits would extend to important exports from the Midwest and the Kansas City area, such as autos, auto parts and farm products. Half of U.S. farm exports and four-fifths of our commercial and industrial exports would receive immediate duty-free access. The remaining duties would vanish over the next decade.

Critics say the deal would harm workers in Central America by undermining labor standards, but it's far more likely to boost enforcement of existing regulations. A University of Michigan study estimates CAFTA would create up to 300,000 new jobs in the textile industry in Central America— jobs that could shift to China if CAFTA is defeated. The worry that Central American workers would derive few benefits from this agreement is mistaken.

For participating countries, CAFTA is fork in the road — a turn away from the coup-and-corruption pattern that still bedevils countries such as Venezuela and Bolivia. Central America is turning toward democracy, prosperity and open markets. Congress should reinforce this trend by approving CAFTA.